

Review of Facebook Marketplace and its Key Benefits and Challenges: A Quantitative Study

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Abstract

Facebook Marketplace is an online platform that enables individuals and businesses to buy and sell products within their local communities. With its extensive user base and easy accessibility, Facebook Marketplace offers several key benefits. Firstly, it provides a vast and diverse audience, allowing sellers to reach many potential buyers quickly. This increases the chances of finding the right buyer for a product and expedites the selling process. Additionally, the platform is free to use, eliminating any listing fees or commissions that may be associated with other e-commerce platforms. This makes it an attractive option for individuals and small businesses looking to minimise costs. Another significant benefit of Facebook Marketplace is its integration with the Facebook social network. Users can leverage their existing profiles and connections to establish trust and credibility when conducting transactions. This social aspect of the platform can foster a sense of community and make buyers and sellers feel more comfortable engaging in transactions with each other. However, despite its advantages, Facebook Marketplace also poses certain challenges. One of the primary concerns is the lack of buyer and seller protection mechanisms compared to dedicated e-commerce platforms. Transactions conducted through Facebook Marketplace rely heavily on mutual trust and communication between parties. This can lead to issues such as scams, fraudulent listings, or disputes between buyers and sellers. Additionally, the local nature of the platform may limit the reach for certain niche products, as it primarily caters to buyers within specific geographic areas. The researcher had considered people that involve in e-commerce to review Facebook marketplace and its key benefits and challenges and found that Facebook market allows sellers to reach many potential buyers quickly but transactions on Facebook marketplace rely only on mutual trust and communication between parties.

Keywords: *Facebook Marketplace, Online Platform, Local Communities, Listing Fees, Social Network*

Introduction

Facebook Marketplace has emerged as a major online platform that facilitates seamless buying and selling experiences within local communities. Its accessibility and user-friendly interface have made it a go-to destination for individuals and businesses looking to connect with potential buyers. The key benefit of Facebook Marketplace lies in its ability to reach a vast and diverse audience. With millions of active users, sellers can quickly showcase their products to a large pool of potential buyers, increasing the likelihood of finding the right match for their offerings. This wide reach not only expedites the selling process but also opens up opportunities for sellers to explore new markets and expand their customer base. Moreover, Facebook Marketplace provides an added advantage by eliminating listing fees and commissions. Unlike other e-commerce platforms, which often charge sellers for listing their products or deducting a percentage of the sales as commission, Facebook Marketplace allows users to post and sell items for free. This cost-effectiveness makes it an attractive option for individuals and small businesses seeking to minimize expenses and maximize profits.

Another key benefit of Facebook Marketplace is its integration with the larger Facebook social network. By leveraging users' existing profiles and connections, the platform establishes a sense of familiarity and trust. When engaging in transactions on Facebook Marketplace, buyers and sellers can view each other's profiles, mutual friends, and shared interests. This social aspect adds a layer of credibility and reliability to the overall experience. Buyers can feel more confident about purchasing from individuals who have a

visible online presence and positive interactions within their social network. Similarly, sellers can benefit from the trust built through their personal connections, making it easier to attract potential buyers and establish themselves as reputable sellers. The integration with the social network also fosters a sense of community within Facebook Marketplace, as users can rely on recommendations and feedback from their friends and acquaintances when making purchasing decisions. This communal aspect not only enhances the overall user experience but also encourages a culture of trust and responsible commerce.

Despite its numerous advantages, Facebook Marketplace does come with certain challenges. One of the primary concerns revolves around the lack of buyer and seller protection mechanisms compared to dedicated e-commerce platforms. Transactions conducted through Facebook Marketplace primarily rely on mutual trust and communication between parties. This can create a higher risk of fraudulent activities, scams, or disputes. Unlike platforms with built-in dispute resolution systems, Facebook Marketplace requires users to negotiate and resolve issues on their own, which can be time-consuming and potentially problematic. Moreover, while the platform offers a wide audience, its local nature may limit the reach of certain niche products. Buyers and sellers might find it challenging to connect with each other if they are located in different geographic areas, thus narrowing the scope for specific categories or unique items. These challenges highlight the importance of practicing caution, conducting thorough research, and communicating effectively to mitigate risks and ensure a positive experience on Facebook Marketplace.

Literature Review

Research found that SNSs governance has the biggest impact on SMEs' ability to utilise Facebook for CRM successfully. Benefits include feedback, rich tools, and the chance to connect with a lot of current and potential clients. (Abedin, 2016). Another article sought to determine whether there was a correlation between the success of Facebook advertising and the advantages associated with it. The extent of the two advertising benefits and their correlation in the development of successful Facebook advertising campaigns were assessed using statistical reasoning. Data from a survey of undergraduate students were used to execute Pearson's bivariate correlation and linear regression analysis. The findings confirmed that Facebook is perceived as a powerful tool for advertising and strongly correlates with the advantages of customer relationship management and the promotion of new products. (Ertugan, 2017).

A paper shows that Facebook is not frequently used by users as an information source, and users' purchasing decisions are not influenced by adverts. The suitability of social media marketing for an organisation must be determined. (Maurer & Wiegmann, 2011). Another research argues that the enabling environments in wealthy and developing nations may differ and consequently have distinct effects on Facebook adoption and its socioeconomic advantages. The results also show that religion, ethnicity, language, gender, and education are important moderators of Facebook adoption, perception, and user behaviour. In the publication, the study's theoretical and practical ramifications are examined. (Liew et. al., 2014).

An article presents results from informal conversations with a small number of adult Facebook users. By illustrating how Facebook's use encourages social capital exchanges and customers' perceptions of the potential negative effects of these contacts, the research sheds light on how people evaluate potential benefits and risks when deciding whether to utilize a website (Vitak & Ellison, 2013). Another paper discusses the topic of increasing fan loyalty to business Facebook pages. The study concentrated on the followers of high-street fashion firms' Facebook fan pages, including H&M, C&A, and Orsay. The theoretical model of loyalty of followers to Facebook fan pages was examined using the statistical method known as structural equations modelling (SEM). The findings supported the suggested model's assertion that contentment and confidence in a fan page are key factors in fostering loyalty to it (Novotová, 2018).

Research compares demographic and personality data acquired via Facebook with data collected via a standalone website and college undergraduates at two universities to investigate the validity of a study conducted online. It comes to the conclusion that Facebook is a workable research platform and that using Facebook users as research participants is a potential strategy with several benefits over using traditional samples. (Rife et. al., 2016). Another article states that Facebook is the most prominent social media

platform in India, and in order to determine whether Facebook friend recommendations from other users influence people to shop online, its popularity with consumers, brand companies, and their growth through e-commerce must be investigated. Perceived enjoyment and other characteristics did not influence Facebook friends to share product information. (Kumar et. al., 2014).

An article examines how overall pleasure affects active engagement and hotel-beneficial consumer behaviour. Active members are crucial to assessing online brand communities' social media marketing efficiency. Hotel Facebook page members were sampled using easy sampling. Active members are satisfied with community engagement and have good behaviours that help hotel Facebook pages, such as readiness to promote the community and change the purchase and information-searching behaviours. Real-world consequences This study highlights the effectiveness of Facebook pages for hotel marketers. Active engagement and pleasure for establishing beneficial behaviours other than loyalty among hotel Facebook page users have been overlooked. (Kang, 2018). Another paper states that Facebook has over 2 billion users, yet its benefits are unclear. Three non-hypothetical auctions rewarded winners to deactivate their accounts for a year. The significance of free internet services is illustrated by the fact that the typical Facebook user would need to spend roughly \$1,000 to deactivate their profile for a year. (Corrigan et. al., 2018).

Research examined why and how seniors utilize Facebook. An online poll of 352 seniors over 60 found four main reasons for utilizing Facebook: social bonding, social bridging, curiosity, and family demands. Facebook use increases with message-based involvement, according to data. This study illuminates senior folks' Facebook use as a new communication tool. (Jung & Sundar, 2016). Another article states that a poll of 255 college students revealed no correlation between location check-in as in-group electronic word-of-mouth and privacy concerns. Non-Facebook location check-in users had different relationships. Facebook users' viral communication may be motivated by mobile phone use habitually. Social media marketing tactics are considered. Only non-users are deterred from Facebook check-ins by privacy concerns. Mobile phone use increased Facebook check-in reasons. Facebook location check-in requires experience. (Kim, 2016).

Objective: To measure the Facebook Marketplace and its Key Benefits and Challenges.

Methodology: The researcher had considered people that involve in e-commerce to review Facebook marketplace and its key benefits and challenges. The survey was conducted with the help of a questionnaire. The researcher had collected the primary data through random sampling method and was analyzed by statistical tool called mean.

Findings

Table 1 Facebook marketplace and its key benefits and challenges

S. No.	Statements	Mean Value
Benefits		
1.	Facebook market provides a vast and diverse audience	3.89
2.	It allows sellers to reach many potential buyers quickly	3.65
3.	Increases the chances of finding the potential buyer for a product and accelerates the process of sales	3.79
Challenges		
4.	Facebook market lack of buyer and seller protection mechanisms compared to devoted e-commerce platforms	3.58
5.	Transactions on Facebook marketplace rely only on mutual trust and communication between parties	3.87
6.	Lead to issues like scams, fraudulent listings, or disputes between buyers and sellers	3.76

Table 1 shows the key benefits and challenges of Facebook marketplace. The respondent says that Facebook market provides a vast and diverse audience with mean value 3.89 but transactions on Facebook marketplace rely only on mutual trust and communication between parties with mean value 3.87. It increases the chances of finding the potential buyer for a product and accelerates the process of sales with mean value 3.79 but also lead to issues like scams, fraudulent listings, or disputes between buyers and sellers with mean value 3.76. It allows sellers to reach many potential buyers quickly with mean value 3.65 but Facebook market lack of buyer and seller protection mechanisms compared to devoted e-commerce platforms with mean value 3.58.

Conclusion

In conclusion, Facebook Marketplace has emerged as a prominent and accessible online platform that offers numerous benefits for individuals and businesses looking to buy and sell products within their local communities. With its extensive user base and user-friendly interface, it provides a broad reach and a diverse audience, increasing the chances of finding the right buyers for sellers' offerings. Moreover, integrating with the larger Facebook social network adds an extra layer of credibility and trust, allowing users to leverage their existing profiles and connections to establish a sense of familiarity and reliability. This social aspect fosters a sense of community within Facebook Marketplace, with users relying on recommendations and feedback from their friends and acquaintances, enhancing the overall user experience and promoting responsible commerce.

The study was conducted to review Facebook marketplace and its key benefits and challenges and found that Facebook market provides a vast and diverse audience increases the chances of finding the potential buyer for a product and accelerates the process of sales but also lead to issues like scams, fraudulent listings, or disputes between buyers and sellers.

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